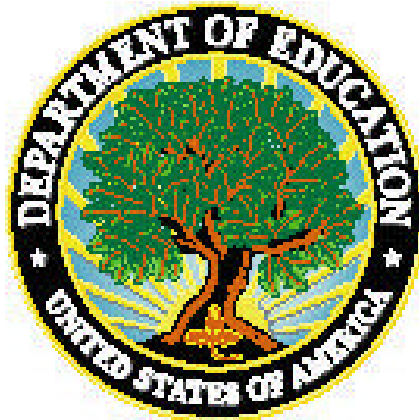


SFA Modernization Partner Project LEGACY CONTRACT TRANSITION PLAN

Direct Loan Origination System (DLO)



Part 3 Recommendation and Timetable For Transition Plan for DLO

Recommendation:

SFA and the Modernization Partner should determine the effects of the Modernization Plan reengineering and resultant new architecture on this contract, if any, and assure that all functionality under this contract is incorporated somewhere in the new architecture. The procurement planning for the DLO functionality either for a new contract awarded pursuant to the new architecture or independent of the new architecture, must begin no later than 18 months before the new contract, whatever its form, is to be put into place.

Since the DLO contract expires on September 30, 2001, procurement planning must begin immediately.